



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 4, 2002

H.R. 5504

Anton's Law

*As ordered reported by the House Committee on Energy and Commerce
on October 2, 2002*

SUMMARY

H.R. 5504 would authorize the appropriation of \$5 million for the Secretary of Transportation to evaluate certain child safety seats and conduct research on injuries to children involved in automobile crashes. It would direct the Secretary to develop regulations regarding child restraints in automobiles, lap and shoulder belts in the rear seats of automobiles, and the use of child-sized dummies in crash tests. The bill also would require the Secretary to develop a dummy that would show the effects of crash tests on a 10-year-old child.

Assuming appropriation of the amount authorized in the bill, CBO estimates that implementing H.R. 5504 would cost \$5 million over the 2003-2005 period. Enacting H.R. 5504 would not affect direct spending or revenues.

H.R. 5504 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

The bill would impose a private-sector mandate as defined in UMRA on the manufacturers of passenger motor vehicles. Based on information from government and industry sources, CBO expects that the direct costs to manufacturers for this requirement would exceed the annual threshold for private-sector mandates established by UMRA (\$115 million in 2002, adjusted annually for inflation).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 5504 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

	By Fiscal Year, in Millions of Dollars				
	2003	2004	2005	2006	2007
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	5	0	0	0	0
Estimated Outlays	2	2	1	0	0

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 5504 will be enacted near the start of fiscal year 2003 and that the authorized amount will be appropriated for 2003. Estimates of outlays are based on information from the National Highway Traffic Safety Administration (NHTSA) and historical spending patterns of similar programs.

NHTSA is already developing a dummy that would simulate the effects of crash tests on a 10-year-old child, so CBO estimates that H.R. 5504 would not increase spending for this purpose. CBO estimates that the cost of developing new regulations would be less than \$500,000 in any year.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 5504 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

H.R. 5504 would impose a private-sector mandate as defined in UMRA on the manufacturers of passenger motor vehicles. The bill would require those manufacturers to install a lap and shoulder belt harness in all the rear designated seating positions of vehicles weighing 10,000 pounds or less. According to information provided by the NHTSA and the automobile industry, the per vehicle cost to install a harness and any reinforcement necessary for the seat could range from \$50 to \$85 depending on the model of vehicle. The costs would be lower for vehicles that would not need the additional reinforcements. One-quarter to one-third of the industry already equips vehicles with a harness in the center-rear seating position,

meaning that the requirement would apply to roughly 9 million to 12 million vehicles. Consequently, CBO estimates the annual cost to the manufacturers would exceed the annual threshold for private-sector mandates established by UMRA (\$115 million in 2002, adjusted annually for inflation) and could amount to as much as \$1 billion.

PREVIOUS CBO ESTIMATE

On September 4, 2001, CBO transmitted a cost estimate for S. 980, Anton's Law, as ordered reported by the Senate Committee on Commerce, Science, and Transportation on August 2, 2001. The estimated cost of the two bills differ because they would authorize different kinds of activities. For example, S. 980 would extend a NHTSA program that provides grants to states for improving the safety of children when they ride in automobiles; it would not, however, authorize appropriations for the Secretary to conduct research.

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